

At the Regular Meeting of the Greenville County Water and Sewer Authority, held on Monday, August 19, 2013, with Regular Session beginning at the conclusion of the Board of Supervisors meeting, in the Board Room of the Greenville County Government Building, 1781 Greenville County Circle, Emporia, Virginia

Present: Michael W. Ferguson, Chairman  
Dr. Margaret T. Lee, Vice Chairman  
James C. Vaughan  
Peggy R. Wiley

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Chairman Ferguson called the meeting to order.

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In Re: Approval of Agenda

Mr. Whittington stated that Staff recommended approval of the Agenda with no added items.

Mrs. Wiley moved, seconded by Dr. Lee, to approve the Agenda as submitted. Voting aye: Dr. Lee, Mr. Vaughan, Mrs. Wiley and Chairman Ferguson.

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In Re: Approval of the Consent Agenda

Mr. Whittington stated that Staff recommended approval of the Consent Agenda.

Mrs. Wiley moved, seconded by Dr. Lee, to approve the Consent Agenda consisting of the following items. Voting aye: Dr. Lee, Mr. Vaughan, Mrs. Wiley and Chairman Ferguson.

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Approval of Minutes for August 5, 2013

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Warrants:

Approval of Accounts Payable for August 19, 2013, in the amount of \$89,601.50

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In Re: Resolution #WS-13-47 – Proposed Increase in Water and Sewer Rates

Mr. Whittington stated that the Greenville County Water and Sewer Authority budget was being recommended by Staff at \$5,218,171.00. He stated that Staff was recommending that the Board of Supervisors adjourn to perhaps a week from today or at a convenience of the Water and Sewer Authority so that department heads making requests could do so at that time. He then asked if next Monday at 3:00 would be a suitable time. Mr. Whittington stated that Staff was recommending a proposed rate increase for consideration by the Water and Sewer Authority by form of the following Resolution #WS-13-47. He stated that Staff was requesting approval of the resolution that authorized Staff to schedule and advertise a proposed Public Hearing that would be scheduled for September 16 at 6:00 p.m. in the Board's meeting room.

**RESOLUTION #WS- 13 - 47**  
**PROPOSED INCREASE IN WATER AND SEWER RATES**

**WHEREAS**, the Greenville County Water and Sewer Authority must establish rates for the provision of potable water and treatment and disposal of wastewater to cover the expenses necessary or properly attributable to furnishing the services; and

**WHEREAS**, the revenues have declined and the expenses of the Authority have increased as to warrant a rate increase up to four and one half percent in the Authority's water and sewer rates for residential, commercial, industrial, and increasing the water and sewer rate on institutional up to seven and one half percent for FY2014; and

**WHEREAS**, the Code of Virginia requires a public hearing prior to increasing the rates for the provision of public water and sewer service;

**NOW, THEREFORE BE IT RESOLVED** that the Greenville County Water and Sewer Authority is considering the adoption of the proposed schedule of rates for water and sewer service, dated August 19, 2013; and

**NOW, THEREFORE BE IT FURTHER RESOLVED** that The Greenville County Water and Sewer Authority will conduct a public hearing on Monday, September 16, 2013 at 6:00 p.m. in the Board Room located at the Greenville County Government Building, 1781 Greenville County Circle, Emporia, Virginia 23847.

**WATER RATES**

<b>Residential</b>	<b><u>Existing</u></b>	<b><u>Proposed</u></b>
First 3,000 gallons per month	\$16.05	\$16.77
Each additional 1,000 gallons per month	5.35	5.59
Non-user rate per month	2.84	5.90

**Commercial and Industrial Customers**

First 3,000 gallons per month	\$16.90	\$17.66
Each additional 1,000 gallons per month	5.62	5.87
Industrial		+ 4.5%

**Institutional**

+ 7.5%

**SEWER RATES**

<b>Residential</b>	<b><u>Existing</u></b>	<b><u>Proposed</u></b>
First 4,000 gallons per month	\$30.65	\$32.03
Each additional 1,000 gallons per month	6.13	6.41
Non-user rate per month	5.42	9.63

**Commercial and Industrial Customers**

First 4,000 gallons per month	\$35.75	\$37.36
Each additional 1,000 gallons per month	7.15	7.47
Industrial		+ 4.5%

**Institutional**

+ 7.5%

Supervisor Wiley moved, seconded by Supervisor Lee, to approve Resolution #WS-13-47. Voting aye: Dr. Lee, Mr. Vaughan, Mrs. Wiley and Chairman Ferguson.

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In Re: Resolution #WS-13-48 – Declaring Intent to Reimburse Project Expenditures with Proceeds of Revenue Bonds

Mrs. Brenda Parson addressed the Board of Supervisors stating that a Reimbursement Resolution would be needed in order for the Authority to be reimbursed for any preliminary expenditures the Authority would incur for the proposed reservoir. She stated that the reimbursement resolution was required when bond funds were used to finance a project. She then stated that Staff requested approval of the following resolution.

**RESOLUTION #WS-13-48****RESOLUTION OF THE GREENSVILLE COUNTY WATER AND  
SEWER AUTHORITY DECLARING INTENT TO REIMBURSE  
PROJECT EXPENDITURES WITH PROCEEDS OF REVENUE  
BONDS**

**WHEREAS**, the Greenville County Water and Sewer Authority (the "Authority") has included in its capital improvement program the construction of a raw water reservoir, new intake and pump station on the Nottoway River, an intermediate

pump station, an aeration system for the reservoir, on-site water mains from the intake to the reservoir, and related improvements and facilities (the "Project");

**WHEREAS**, the Authority intends to issue one or more series of revenue bonds in an aggregate principal amount not to exceed \$32,285,678 (the "Bonds") to finance all or a portion of the cost of the Project;

**WHEREAS**, the Internal Revenue Code of 1986, as amended, and Treasury Regulations Section 1.150-2 thereunder, provide that proceeds of tax-exempt obligations may be used to reimburse a previously paid expenditure provided that certain criteria are met; and

**WHEREAS**, the Authority has paid and intends to pay certain expenditures with respect to the Project prior to the issuance of Bonds to finance the Project and to receive reimbursement for such expenditures from proceeds of the Bonds;

**NOW, THEREFORE, BE IT RESOLVED BY THE GREENSVILLE COUNTY WATER AND SEWER AUTHORITY AS FOLLOWS:**

1. The Authority intends to issue or to cause the issuance of Bonds to pay all or part of the costs of the Project, together with other available funds.
2. The Authority intends to receive reimbursement from proceeds of the Bonds, when issued, for expenditures made not more than 60 days prior to the date of this Resolution related to the Project that are paid prior to such issuance.
3. Each expenditure reimbursed with proceeds of the Bonds will be, unless otherwise approved by the Authority's bond counsel, either (a) of a type properly chargeable to a capital account under general federal income tax principles (determined in each case as of the date of the expenditure), (b) a cost of issuance with respect to the Bonds, (c) a nonrecurring item that is not customarily payable from current revenues, or (d) a grant to a party that is not related to or an agent of the Authority so long as such grant does not impose any obligation or condition to repay any amount to or for the benefit of the Authority.
4. The Authority intends to make a reimbursement allocation, which is a written allocation that evidences the Authority's use of proceeds of the Bonds to reimburse an expenditure, no later than 18 months after the later of the date on which the expenditure is paid or the Project is placed in service or abandoned (but in no event more than three years after the date on which the expenditure is paid).
5. The Authority recognizes that exceptions are available under the applicable Treasury Regulations which also may permit reimbursement for certain (a) preliminary expenditures incurred prior to commencement of construction, (b) expenditures in an amount not in excess of the lesser of \$100,000 or five percent of the

proceeds of the Bonds, and (c) expenditures for long-term construction projects of at least five years duration.

6. The Authority intends that adoption of this Resolution shall constitute "official intent" within the meaning of Treasury Regulations Section 1.150-2.

7. This Resolution shall be effective immediately.

I certify the foregoing to be a true and correct copy of a resolution adopted by the Greenville County Water and Sewer Authority, at a duly convened regular meeting held on August 19, 2013.

Dr. Lee moved, seconded by Mrs. Wiley, to approve Resolution #WS-13-48. Voting aye: Dr. Lee, Mr. Vaughan, Mrs. Wiley and Chairman Ferguson.

There being no further business to discuss, Mrs. Wiley moved, seconded by Dr. Lee, to adjourn the meeting until Monday, August 26, 2013 at 3:00 p.m. to review the Proposed FY2014 Budget. Voting aye: Dr. Lee, Mr. Vaughan, Mrs. Wiley and Chairman Ferguson.

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Michael W. Ferguson, Chairman  
Greenville County Water and Sewer Authority